

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 88

H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 88,
H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE FRAUD,"

begs leave to report as follows:

The purpose of this bill is to expand the authority of the Insurance Division of the Department of Commerce and Consumer Affairs' (DCCA) insurance fraud investigation branch to include the investigation and prosecution of workers' compensation insurance fraud until July 1, 2010, and to appropriate funds for additional personnel and resources to combat both workers' compensation and motor vehicle insurance fraud.

DCCA, Department of Labor and Industrial Relations, Department of the Attorney General, and Department of Human Resources Development supported this bill. Hawaii Employers' Mutual Insurance Company, Inc. supported the intent of this measure. The Hawaii State AFL-CIO and ILWU 142 opposed this bill.

Your Committee has amended this bill by:

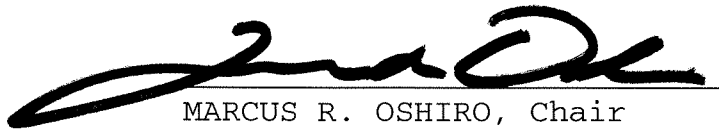
- (1) Including premium fraud as an offense for which penalties will be applied, excluding employees;
- (2) Changing the effective date to July 1, 2020, to facilitate further discussion; and



- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 88, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 88, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



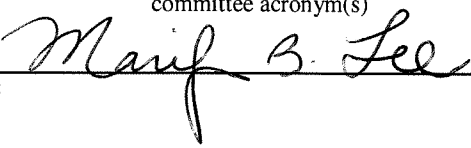
MARCUS R. OSHIRO, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR 1195

Record of Votes of the Committee on Finance

Bill/Resolution No.: #B88 HD1		Date: 2/26/07		
Committee Referral: CPC, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. BELATTI, Della Au	✓			
4. BROWER, Tom	✓			
5. CARROLL, Mele	✓			
6. CHONG, Pono	✓			
7. HANOHANO, Faye P.	.			✓
8. HAR, Sharon E.	✓			
9. MAGAOAY, Michael Y.	✓			
10. MANAHAN, Joey	✓			
11. MIZUNO, John	✓			
12. NAKASONE, Bob	✓			
13. RHOADS, Karl	✓			
14. SAGUM, Roland D., III	✓			
15. TOKIOKA, James Kunane	✓			
16. AWANA, Karen Leinani	✓			
17. MEYER, Colleen Rose	.			✓
18. WARD, Gene, Ph.D.	.			✓
	.			
TOTAL	15	0	0	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation.				
committee acronym(s)				
				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				